

Hearing Date:
September 27, 2007
at 10:00 a.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

IN RE:

DELPHI CORPORATION, *et al.*,

Case No. 05-44481 (RDD)

Chapter 11

Debtors.

-----X

**RESPONSE OF THE NEW YORK STATE DEPARTMENT OF
TAXATION AND FINANCE TO DEBTOR'S TWENTIETH
OMNIBUS OBJECTION TO CERTAIN CLAIMS**

The New York State Department of Taxation and Finance ("the Tax Department"), by its attorney, ANDREW M. CUOMO, Attorney General of the State of New York, hereby responds to the Motion objecting to the tax claim of the State of New York, filed by Delphi Corporation, *et al.*, debtors herein (the "Debtors"), based upon the following facts and grounds:

1. On or about July 11, 2006, the Tax Department timely filed a proof of claim (designated by the Clerk as Claim No. 9824) for unpaid pre-petition sales and highway use taxes in the total amount of \$20,112,352.05 including interest and penalties.

2. The Tax Department agrees with the Debtors that Claim No. 9824 should be modified to \$7,800,000.00 subject to the

Debtors' right to further object to the Claim at a subsequent time. The parties are currently negotiating a settlement of the Claim.

WHEREFORE, the Tax Department respectfully requests that the Motion seeking to modify the claims of the Tax Department be granted subject to further objection and such other and further relief as this court may deem just and proper.

Dated: New York, New York
September 19, 2007

ANDREW M. CUOMO
Attorney General of the
State of New York
Attorney for the New York State
Department of Taxation and
Finance
By:

/s/ Neal S. Mann
NEAL S. MANN (NM-0617)
Assistant Attorney General
120 Broadway, 24th Floor
New York, New York 10271
Tel. No. (212) 416-8666

CERTIFICATE OF SERVICE

NEAL S. MANN certifies that:

He is an Assistant Attorney General in the office of
ANDREW M. CUOMO, the Attorney General of the State of New York,
Attorney for the New York State Department of Taxation and
Finance herein. On the 19th day of September, 2007 he served the
annexed OPPOSITION OF THE NEW YORK STATE DEPARTMENT OF TAXATION
AND FINANCE TO DEBTORS' TWENTIETH OMNIBUS OBJECTION TO CERTAIN
CLAIMS upon the following parties:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY, 10036
Attn: Kayalyn A. Marafioti, Esq.

Skadden, Arps, Slate, Meagher & Flom LLP
333 West Wacker Drive, Suite 2100
Chicago, Illinois 60606
Attn: John Wm. Butler, Jr., Esq.

Delphi Corporation
5725 Delphi Drive
Troy, Michigan 48098
Attn: General Counsel

Attorneys and parties in the within entitled proceeding by
depositing a true and correct copy thereof, properly enclosed in
a post-paid wrapper, in a post-office box regularly maintained by
the United States Postal Service at 120 Broadway, New York, New
York 10271 directed to said attorneys at the addresses designated
by them for that purpose.

/s/ Neal S. Mann
NEAL S. MANN